




ENSURING A STRONG RETIREMENT INCOME SYSTEM

The Government is acting to ensure the long-term strength of the Canadian retirement system.

BETTER PRIVATE PENSION REGULATIONS

In 2009, the Government introduced important measures to improve federally regulated private pension plans by:

- Requiring companies to fully fund pension benefits on plan termination.
- Making pensions more stable.
- Making it easier for members to negotiate changes to their pension arrangements.
- Modernizing investment rules for pensions.



NEW PRIVATE PENSION OPTIONS

The Government, along with provincial and territorial governments, is working to introduce a new kind of pension plan called the Pooled Registered Pension Plan, or PRPP.


PRPPs will improve the range of retirement savings options available to Canadians by providing a low-cost, well-regulated private sector retirement savings opportunity.

These plans will be accessible to millions of Canadians who have up to now not had access to such coverage—such as many employees of small and medium-sized businesses and self-employed workers.

Seniors will benefit from the Next Phase of Canada's Economic Action Plan, with important new measures like:

- An enhanced Guaranteed Income Supplement for more than 680,000 seniors.
- Increased funding for the New Horizons for Seniors Program.
- More freedom in deciding when to retire.
- An extension of the Targeted Initiative for Older Workers.

Find out more inside...

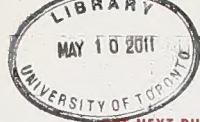


THE NEXT PHASE OF CANADA'S
ECONOMIC ACTION PLAN
A LOW-TAX PLAN FOR
JOBS AND GROWTH
Find out what's in it for you

ActionPlan.gc.ca
1 800 O-Canada (1-800-622-6232)
1-800-926-9105 (TTY)

Ce document est également offert en français.

Budget measures are subject to parliamentary approval



Publications



THE NEXT PHASE OF CANADA'S ECONOMIC ACTION PLAN A LOW-TAX PLAN FOR JOBS AND GROWTH

WHAT IT MEANS FOR SENIORS



Canada

NEXT PHASE OF
CANADA'S ECONOMIC
**ACTION
PLAN**



THE NEXT PHASE OF CANADA'S ECONOMIC ACTION PLAN SUPPORTING CANADIAN SENIORS

INCREASING FINANCIAL SUPPORT FOR CANADA'S SENIORS

Canada's seniors have worked their entire lives to help build a better Canada and secure a dignified retirement. The Government is committed to helping increase their financial well-being.

That's why the Next Phase of Canada's Economic Action Plan is enhancing the Guaranteed Income Supplement (GIS) for seniors who rely almost exclusively on their Old Age Security and the GIS.

Effective July 1, 2011, eligible seniors will receive additional annual benefits of up to \$600 for a single senior and \$840 for couples.

This will provide increased financial security to the most vulnerable seniors in Canada, representing an investment of more than \$300 million per year.

This measure will improve the financial security of more than 680,000 seniors across Canada.


Are You Eligible?

We are committed to making Canadian seniors aware of benefits they may be entitled to.


If you are 65 or over, we encourage you to visit a local Service Canada office to see if you qualify, or call toll-free at:
1-800-277-9914 / TTY 1-800-255-4786.

www.servicecanada.gc.ca


 **OTHER NEW ACTION PLAN SUPPORT FOR SENIORS**
The Next Phase of Canada's Economic Action Plan takes other targeted actions specifically designed to help seniors.

 **NEW HORIZONS FOR SENIORS**
This program provides funding to support local community-based projects across Canada that enable seniors to participate in social activities and contribute to their community, as well as projects that raise awareness of elder abuse and other important issues affecting seniors.

The Next Phase of Canada's Economic Action Plan proposes to provide \$10 million over two years to the program to ensure that it continues to support seniors' needs.

 **MORE FREEDOM IN DECIDING WHEN TO RETIRE**
Canadians are living longer, more active lives than ever before. Seniors who want to remain active in the workforce should have the freedom to make that choice — not have one forced on them.

That's why the Next Phase of Canada's Economic Action Plan will change federal rules to eliminate the mandatory retirement age for federally regulated employees, unless there is an occupational requirement, to allow Canadians the freedom to choose how long to remain active in the workforce.

 **TARGETED INITIATIVE FOR OLDER WORKERS**
With an ever-changing economy, older workers often require new training in order to secure new, gainful employment.

The Next Phase of Canada's Economic Action Plan extends the Targeted Initiative for Older Workers program until 2013–14. This program ensures older workers have access to training and employment programs to help them find their new career. It also opens training and employment programs to displaced older workers, ensuring they have the support they need to find a new job.

TAX RELIEF FOR SENIORS

Since 2006, the Government has moved to ensure seniors keep more of their money in their pockets. Indeed, as a result of actions taken by this Government, seniors and pensioners are receiving about \$2.3 billion in additional targeted tax relief for the 2011–12 fiscal year.

Since 2006, the Government has:

- Increased the Age Credit amount by \$1,000 in 2006, and by another \$1,000 in 2009.
- Doubled the maximum amount of income eligible for the Pension Income Credit to \$2,000.
- Introduced pension income splitting.
- Increased the age limit for maturing pensions and Registered Retirement Savings Plans to 71 from 69 years of age.

This means that, in 2011, a single senior can earn at least \$19,064 and a senior couple at least \$38,128 before having to pay any federal income tax. Seniors are also major beneficiaries of the broad-based tax relief measures that have been introduced by the Government, such as the Tax-Free Savings Account.